

**DEPARTMENT OF WATER SUPPLY
COUNTY OF HAWAI‘I
WATER BOARD MEETING
AGENDA**

DATE: September 28, 2021

TIME: 10:00 a.m.

PLACE: Via web conferencing. Host location: 345 Kekūanaō‘a Street, #20, Hilo, Hawai‘i. The public may view the meeting via live stream at <https://www.facebook.com/HawaiiDWS>

Written Testimony: Anyone wishing to provide testimony on an agenda item may also do so by email to dws@hawaiiidws.org, facsimile to (808) 961-8657, or by mail to the Department of Water Supply at 345 Kekūanaō‘a Street, Hilo, HI 96720. Written testimony should be submitted no later than 12 noon, Monday, September 27, 2021, to be acknowledged at the board meeting. All written testimony, regardless of time of receipt, will be part of the permanent record.

Oral Testimony: Those that want to provide oral testimony during the meeting must email dws@hawaiiidws.org no later than 12 noon, Monday, September 27, 2021, with your name, phone number, email address, and the agenda item you wish to testify on. You may be asked to register and your testimony will be included via the web conference application.

- 1) CALL TO ORDER – 10:00 a.m. (*Secretary will take roll call of Board Members in attendance*)
- 2) STATEMENTS FROM THE PUBLIC
- 3) APPROVAL OF MINUTES - Minutes of the August 24, 2021, Water Board Meeting
- 4) APPROVAL OF ADDENDUM AND/OR SUPPLEMENTAL AGENDA (if necessary)
- 5) POWER COST CHARGE:

Departmental power costs from all power sources increased since the last Power Cost Charge rate was determined. The Department proposes to increase the Power Cost Charge from **\$1.85 to \$2.15** per thousand gallons as a result of this increase. Power cost charges over the past two years were as follows:

<u>Effective</u>	<u>PCC</u>
June 1, 2021	\$1.85
December 1, 2020	\$1.71
August 1, 2020	\$2.01
February 1, 2020	\$1.90
October 1, 2019	\$2.00
June 1, 2019	\$1.96

Before the Power Cost Charge is changed, a Public Hearing should be scheduled to accept public testimony.

RECOMMENDATION: It is recommended that the Board approve holding a Public Hearing on October 26, 2021, at 9:45 a.m., to receive testimony on increasing the Power Cost Charge from **\$1.85 to \$2.15**.

6) WATER RATE STUDY:

The consulting firm of Harris & Associates was contracted to determine water rates for the Department for the 5-year period, July 1, 2022, through June 30, 2027. The consultant team will be attending this meeting to provide a presentation and start the dialogue on rate development and financial policies for the next 5-year rate implementation period.

7) SOUTH KOHALA:

A. **JOB NO. 2021-1171, LĀLĀMILO B DEEPWELL REPAIR:**

This project consists of furnishing all labor, materials, tools and equipment necessary to remove the existing pumping assembly; furnish and install new pump, motor, column assembly, and all appurtenant materials; complete an efficiency test; and refurbish the existing equipment for spare inventory; in accordance with the specifications.

Bids for this project were opened on September 9, 2021, at 2:00 p.m., and the following are the bid results:

Bidder	Bid Amount
Derrick’s Well Drilling and Pump Services, LLC	\$1,250,000.00
Beylik Drilling and Pump Service, Inc.	\$1,438,476.34

The engineering estimate for this project was \$416,900.00.

The Department has elected to cancel the solicitation pursuant to Hawai‘i Revised Statutes (HRS) §103D-308 and Hawai‘i Administrative Rules (HAR) §3-122-95 and §3-122-95, as the bid prices received exceeds the available monetary funds appropriated for the project.

RECOMMENDATION: It is recommended that the Board not award the contract for JOB NO. 2021-1171, LĀLĀMILO B DEEPWELL REPAIR, due to the high cost of the bids. Staff will re-evaluate the scope of work and will procure the necessary services according to procurement rules.

8) SOUTH HILO:

A. **VEHICLE BID NO. 2020-04, FURNISHING AND DELIVERING VEHICLES TO THE DEPARTMENT OF WATER SUPPLY – REQUEST FOR ADDITIONAL FUNDS:**

The vendor, Inter Pacific Motors, Inc., dba Orchid Isle Auto Center, is requesting a contract change order for the additional work of wiring the vehicles for DWS’ mobile radios. The Department has requested this work be done to expedite the radio installation, ensuring that staff are able to communicate while servicing remote locations. The description of the additional work and associated fees are as follows:

ITEM	QUANTITY	DESCRIPTION	UNIT AMOUNT	AMOUNT
1.	8	Wiring for installation of a Motorola APX4500 radio located atop the dashboard tray including fused battery line and ignition sensor to radio location, and	\$494.24	\$3,953.92

		external speakers installed and enabled with connection at radio location.		
		TOTAL		\$3,953.92

Staff reviewed the request for the additional funds and found that the \$3,953.92 can be considered justified. *Note: Payment of this work shall be performed by force account.*

Original Contract Amount: \$569,303.00

1st Additional Funds Request: \$3,953.92

Total Revised Contract Amount: \$573,256.92

RECOMMENDATION: It is recommended that the Board approve an increase in funds of \$3,953.92 to Inter Pacific Motors, Inc., dba Orchid Isle Auto Center, for VEHICLE BID NO. 2020-04. If approved, the total revised contract amount shall be \$573,256.92.

9) NORTH HILO:

A. **JOB NO. 2021-1162, LAUPĀHOEHOE DEEPWELL B REPAIR:**

This project consists of furnishing all labor, materials, tools, and equipment necessary to remove the existing pumping assembly; furnish and install a new submersible pump, motor, power cable, column assembly, and all appurtenant materials; well rehabilitation; borehole alignment survey; electrical work; and complete an efficiency test; in accordance with the specifications.

Bids for this project were opened on September 9, 2021, at 1:30 p.m., and the following are the bid results:

Bidder	Bid Amount
ALPHA, Inc.	No Bid
Beylik Drilling & Pump Service, Inc.	\$618,700.00
Derrick's Well Drilling & Pump Services, LLC	Non-Responsive
Water Resources International, Inc.	No Bid

Project Costs:

1) Low Bidder (Beylik Drilling & Pump Service, Inc.)	\$618,700.00
2) Contingencies (10%)	<u>\$61,870.00</u>
Total Cost:	<u>\$680,570.00</u>

Funding for this project will be from DWS' CIP Budget under Deepwell Pump Replacement. The contractor will have 210 calendar days to complete the well repair with the contractor's furnished equipment and refurbish the existing pump and motor set for the Department's future use. The Engineering estimate for this project was \$500,000.00.

Well History:

Laupāhoehoe Deepwell B:

Original Installation: June 1984

Repaired: August 1999 – Final Contract Amount \$75,849.86 (replacement of pump, portions of the column assembly, brush and bail)

Repaired: December 2004 – Final Contract Amount \$144,253.00 (replacement of pump, portions of the column assembly, brush and bail)

Lasted Repaired: March 2011 – Final Contract Amount \$64,648.98 (conversion of well from water lubricated line shaft to submersible, inclusive of pump, motor, power cable, column assembly, brush, bail, and video survey)

Mitigation Measures:

This project will conduct a borehole alignment survey and pre-fill column assembly prior to initial start-up.

RECOMMENDATION: It is recommended that the Board award the contract for JOB NO. 2021-1162, LAUPĀHOEHOE DEEPWELL B REPAIR, to the lowest responsible bidder, Beylik Drilling & Pump Service, Inc., for their bid amount of \$618,700.00, plus \$61,870.00 for contingencies, for a total contract amount of \$680,570.00. It is further recommended that either the Chairperson or the Vice-Chairperson be authorized to sign the contract, subject to review as to form and legality by Corporation Counsel.

10) MISCELLANEOUS:

A. DEDICATION OF WATER SYSTEM(S):

We received the following documents for action by the Water Board. The water systems have been constructed in accordance with the Department's standards and are in acceptable condition for dedication:

1. Bill of Sale

Transferor: Geo Investment Company, Inc.
Subdivision No. SUB 17-001713
Tax Map Key: (3) 2-2-038:031
Facilities Charge: \$16,500.00 Date Paid: 5/8/2019
Final Inspection Date: 4/26/2019
Water System Cost: \$12,500.00

2. Grant of Easement and Bill of Sale

Grantor: 1250 Oceanside, LLC
Subdivision No. 1998-000124 (portion)
2007-000577 (portion)
2007-000589 (portion)
Tax Map Key: (3) 8-1-004:070 (Lots 11-A-1 & 12-A), 8-1-032:054 (por.) (Lot R-7-A),
and 8-1-004:064 (por.)(Easement "A-1")
Facilities Charge: \$70,875.00 Date Paid: November 2000
Final Inspection Date: 5/6/2021
Water System Cost: \$3,644,100.00

3. Deed

Grantor: 1250 Oceanside, LLC
Lot 4 of SUB 19-001936
Tax Map Key: (3) 8-1-004:064

RECOMMENDATION: It is recommended that the Water Board accept these documents subject to the approval of the Corporation Counsel and that either the Chairperson or the Vice-Chairperson be authorized to sign the documents.

B. MONTHLY PROGRESS REPORT:

Submission of Progress Report of Projects by the Department. Department personnel will be available to respond to questions by the Board regarding the status/progress of any project.

C. REVIEW OF MONTHLY FINANCIAL STATEMENTS:

Submission of financial statements and information relating to the financial status of the Department. Department personnel will be available to respond to questions by the Board relating to the financial status of the Department.

D. MANAGER-CHIEF ENGINEER'S REPORT:

The Manager-Chief Engineer to provide an update on the following:

1. North Kona Wells
2. COVID-19 Update
3. Claim History and Processes
4. Retiree of the Department of Water Supply

E. EXECUTIVE SESSION REGARDING OPEN LITIGATION:

The Board anticipates convening an executive meeting for the purposes of discussing the legal rights, duties and liabilities of the Board concerning open litigation against the Board, as authorized by Hawai'i County Charter Section 74.6 and Hawai'i Revised Statutes ("HRS"), Section 92-4 and 92-5(a)(4). The Board wishes to have its attorney present, in order to consult with the board's attorney on its questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities pursuant to HRS Section 92-5(a)(4). A two-thirds vote of the members present, pursuant to HRS Section 92-4, is necessary to hold an executive meeting, provided that the affirmative vote constitutes a majority of the board.

F. EXECUTIVE SESSION: MANAGER-CHIEF ENGINEER AND DEPUTY EVALUATION FOR CALENDAR YEAR 2021:

The Board anticipates convening an executive meeting to consider the evaluations of the Manager-Chief Engineer and Deputy for its annual performance review, as authorized by Hawai'i County Charter Section 7-4.6(d) and Hawai'i Revised Statutes ("HRS"), Sections 92-4 and 92-5(a)(2). The Board wishes to have its attorney present, in order to consult with the board's attorney on its questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities pursuant to HRS Section 92-5(a)(4). A two-thirds vote of the members present, pursuant to HRS Section 92-4, is necessary to hold an executive meeting, provided that the affirmative vote constitutes a majority of the board.

G. MANAGER-CHIEF ENGINEER AND DEPUTY EVALUATION FOR CALENDAR YEAR 2021:

Discussion/action on Manager-Chief Engineer and Deputy evaluation and compensation.

H. CHAIRPERSON'S REPORT:

1. Chairperson to report on matters of interest to the Board.

11) ANNOUNCEMENTS:

1. **Next Meeting:** - October 26, 2021, 10:00 a.m., via Web Conferencing

12) ADJOURNMENT

Anyone requiring an accommodation or auxiliary aid and/or services to participate in this meeting (i.e. sign language, interpreter, large print), please contact the Board Secretary, at 961-8050 as soon as possible, but no later than five days before the scheduled meeting.

Notice to Lobbyists: If you are a lobbyist, you must register with the Hawai‘i County Clerk within five days of becoming a lobbyist. {Article 15, Section 2-91.3(b), Hawai‘i County Code} A lobbyist means “any individual engaged for pay or other consideration who spends more than five hours in any month or \$275 in any six-month period for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials.” {Article 15, Section 2-91.3(a)(6), Hawai‘i County Code} Registration forms and expenditure report documents are available at the Office of the County Clerk-Council, Hilo, Hawai‘i.

“The Department of Water Supply is an Equal Opportunity provider and employer.”